



Milwaukee County

Supervisor Johnny L. Thomas, 18th District

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SUP. THOMAS AUTHORED BALANCED APPROACH TO 2011 BUDGET

Milwaukee, WI – The recession has hit Milwaukee County hard. General revenues, such as sales taxes and property sale recordings, are down considerably while the demand for safety net services has increased. But, in spite of these challenges, the County Board has taken a big step forward in addressing long-term fiscal challenges, according to Supervisor Johnny L. Thomas. He is the author of a key 2011 Budget Amendment aimed at reducing the County's future OPEB (other post-employment benefit) costs by \$275 million.

The County must still negotiate wage and benefit concessions with represented employees (85% of the workforce) because the County Executive took the irresponsible approach of demanding significant wage and benefit concessions AND budgeting for those savings in the same document. This means that any unrealized savings will need to be made up through other budget cuts.

The Budget approved by the County Board still seeks significant wage and benefit concessions from employees and retirees, but does so in a manner that mitigates the budgetary shortfall – and corrective actions that will be needed – if those concessions are not achieved by January 1. The adopted budget keeps pressure on the unions with the imposition of up to 26 furlough days next year if the 2010 concessions are not achieved.

“Sacrifices from both employees and retirees were necessary to maintain jobs and provide desired public services. I am pleased that the Board has taken a more balanced approach through greater wage and benefit concessions along with a small property tax levy increase. The average annual tax levy increase for the past nine years has been a reasonable 2.36%, while transit and parks have been maintained,” Supervisor Thomas said.

Key reforms adopted by the County Board in the 2011 Budget:

- For the first time, County employees will contribute to their own pensions. By the end of 2011, employees will foot the bill for about half of the County's annual pension cost through a 4% payroll deduction. Last year, the County Board reduced the annual pension benefit by 20%. This applies to elected officials as well.
- Employees will pay higher co-pays and monthly health insurance premiums in 2011. Health insurance expenses have risen dramatically in the past ten years, and County employees are not exempt from these cost increases.

The County Board also passed an amendment to examine total employee compensation, including fringe benefits. This will allow policy makers to assess total compensation for workers, including Sheriff's Deputies, correctional officers, nurses, human service workers and other staff. By lowering wage and benefit costs, the County can reduce the number of layoffs that may be necessary to balance the 2011 budget.